M E M O R A N D U M

DATE: April 8, 2014

TO: Richard D. Garrity, Ph.D.

FROM: Stephen Hathaway, P.E. **THRU:** Diana M. Lee, P.E.

SUBJECT: FESOP Renewal
Permit No. 0570033-014-AF
CSX Transportation, Inc. (CSXT) Rockport Terminal

Attached is renewal Federally Enforceable State Operating Permit (FESOP) No. 0570033-014-AF for the CSX Transportation, Inc. (CSXT) Rockport Terminal, located at 3701Causeway Boulevard, Tampa, FL 33619. The CSXT Rockport Terminal is a phosphate materials (DAP, MAP, GTSP) handling and storage facility. The Terminal receives oiled phosphate materials via railcar and unloads, transfers, stores and loads the materials onto ships through a conveyor system and telescoping chute.

The facility is a synthetic non-Title V source as its potential PM emissions are below the 100 tons/year major source threshold. The facility was previously authorized to handle up to 1,000,000 TPY of phosphate rock, while utilizing the baghouses for PM control. However, in the permit renewal application, the facility requested to relinquish authorization to handle phosphate rock, as the facility has not handled the material in over 10 years, and all of the baghouses at the facility have been marked "Out of Service". Therefore, the Rockport facility will only be authorized to handle oiled phosphate materials, as these materials do not require the use of the baghouses to comply with the opacity standards.

This renewal permit reflects a revised maximum facility-wide PM potential-to-emit of 80.5 TPY from the handing of phosphate materials (MAP, DAP and GTSP), due to a 10.3 TPY emissions reduction from the removal of phosphate rock handling. Also, all requirements to operate and maintain the baghouses have been removed from the permit, as the facility will not have a need to operate them in the future. In the event CSX decides to handle phosphate rock in the future at the Rockport Terminal, it will go through the pre-construction permitting process to ensure the proper controls and approvals are in place prior to handling this product.

Based on our review, we recommend an issuance of the revised FESOP renewal permit as drafted.

SRH: 0570033-014-AF

ENVIRONMENTAL PROTECTION COMMISSION OF
HILLSBOROUGH COUNTY, as Delegated by

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

NOTICE OF PERMIT ISSUANCE

CERTIFIED MAIL

Richard K. Nath
Manager Environmental Programs
CSX Transportation, Inc.
500 Water Street, J-275
Jacksonville, FL 32202
_____/

File No.: 0570033-014-AF
County: Hillsborough

Enclosed is the renewal Federally Enforceable State Operating Permit (FESOP) No. 0570033-014-AF to operate a phosphate materials (DAP, MAP, GTSP) handling and storage facility, issued pursuant to Section 403.087, Florida Statutes. Please read this new permit thoroughly as there are changes from the previous permit. As requested by CSX, the facility is no longer authorized to handle phosphate rock at the Rockport Terminal.

The EPC will issue the final permit with the attached conditions unless a timely petition for an administrative hearing is filed pursuant to Section 120.569 and 120.57 F.S. before the deadline for filing a petition. The procedures for petitioning for a hearing are set forth below.

A person whose substantial interests are affected by the proposed permitting decision may petition for an administrative proceeding (hearing) under Sections 120.569 and 120.57, F.S. The petition must contain the information set forth below and must be filed (received) in the Legal Department of the EPC at 3629 Queen Palm Drive, Tampa, Florida 33619, Phone 813-627-2600, Fax 813-627-2602. Petitions filed by the permit applicant or any of the parties listed below must be filed within 14 (fourteen) days of receipt of this notice of intent. Petitions filed by any persons other than those entitled to written notice under Section 120.60(3), F.S. must be filed within 14 (fourteen) days of receipt of this permit. Under Section 120.60(3), however, any person who asked the EPC for notice of agency action may file a petition within 14 (fourteen) days of receipt of that notice, regardless of the date of publication.

A petitioner shall mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under Sections 120.569 and 120.57, F.S., or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the approval of the presiding officer upon the filing of a motion in compliance with Rule 28-106.205 of the F.A.C.

A petition that disputes the material facts on which the EPC's action is based must contain the following information:

(a) The name and address of each agency affected and each agency's file or identification number if known;
(b) The name, address, and telephone number of the petitioner and the name, address, and telephone number of each petitioner's representative, if any, which shall be the address for service purposes during the course of the proceedings; and an explanation of how the petitioner's substantial interests will be affected by the EPC's determination;
(c) A statement of how and when the petitioner received notice of the EPC action;
(d) A statement of all disputed issues of material fact. If there are none, the petition must so indicate;
(e) A concise statement of the ultimate facts alleged, including the specific facts the petitioner contends warrant reversal or modification of the EPC's proposed action;
(f) A statement of specific rules or statutes the petitioner contends requires reversal or modification of the EPC's proposed action; and
(g) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the EPC to take with respect to the EPC's proposed action.

A petition that does not dispute the material facts upon which the EPC's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above as required by Rule 28-106.301.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the EPC's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the EPC on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation under section 120.573, F.S. is not available in this proceeding.

This action is final and effective on the date filed with the Clerk of the EPC unless a petition is filed in accordance with above. Upon the timely filing of a petition, this order will not be effective until further

order of the EPC.

Any person listed below may request to obtain additional information, a copy of the application (except for information entitled to confidential treatment pursuant to Section 403.111, F.S.), all relevant supporting materials, and all other materials available to the EPC that are relevant to the permit decision. Interested persons may contact Diana M. Lee, P.E., at the above address or call (813) 627-2600, for additional information.

Any party to this order has the right to seek judicial review of it under Section 120.68 of the Florida Statues, by filing a notice of appeal under rule 9.110 of the Florida rules of Appellate Procedure with the EPC's Legal Office at 3629 Queen Palm Drive, Tampa, Florida 33619 and with the clerk of the Department of Environmental Protection in the Office of General Counsel, Mail Station 35, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000, and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate district court of appeal. The notice must be filed within thirty days after this order is filed with the clerk of the Department.

Executed in Tampa, Florida

ENVIRONMENTAL PROTECTION COMMISSION
OF HILLSBOROUGH COUNTY

_____

Richard D. Garrity, Ph.D.
Executive Director

RDG/SRH/srh

CERTIFICATE OF SERVICE

This is to certify that this NOTICE OF PERMIT and all copies were mailed before the close of business on _____ to the listed persons.

FILING AND ACKNOWLEDGEMENT FILED, on this date, pursuant to Section 120.52(7), Florida Statutes, with the clerk, receipt of which is hereby acknowledged.

_____ _____
Clerk Date

PERMITTEE:
CSX Transportation, Inc.
500 Water Street, J-275
Jacksonville, FL 32202

PERMIT/CERTIFICATION
Permit No: 0570033-014-AF
County: Hillsborough
Expiration Date: 4/8/2019
Project: Phosphate Handling Facility

This permit is issued under the provisions of Chapter 403, Florida Statutes, and Florida Administrative Code Rules 62-204, 62-210, 62-212, 62-296, 62-297, and 62-4. The above named permittee is hereby authorized to perform the work or operate the facility shown on the application and approved drawing(s), plans and other documents, attached hereto or on file with the EPC and made a part of hereof and specifically described as follows:

The operation at the CSXT Rockport Terminal involves a phosphate materials (DAP, MAP, GTSP) railcar unloading, handling, storage, and ship loading operation. Railcars containing oiled phosphate materials (DAP, MAP, GTSP) are unloaded into the receiving pits at either Railcar Dumper #1 and/or Railcar Dumper #2, which are then conveyed to the Storage Building through the use of a belt conveyor system. The operation inside of the Storage Building involves two stacker/reclaimer units and a chokefeeder (Midwest International, Model No. MH72-4200 TPH). When the phosphate materials are reclaimed from the Storage Building for export, they are re-oiled prior to leaving the building, belt conveyed, and loaded into ships using a telescoping chute.

Particulate matter emissions from this material handling operation are controlled by the use of coating oil prior to receipt, and prior to export of the material into ships. The baghouses at the facility were previously used for the handling of phosphate rock, however, the facility has relinquished authorization to handle phosphate rock, as the baghouses have been permanently marked "Out of Service". CSX will be required to go through the Air Construction permit process prior to any future handling of phosphate rock at this facility.

EU	Transfer Point	EU	Transfer Point
001	Railcar Dumper #1	007	Transfer Belt #4 to Belt #6
002	Transfer Belt #5 or #7 to Belt #8	008	Transfer Belt #6 to Belt #7
003	Railcar Dumper #2	009	Transfer Belt #8 to Belt #9
004	Transfer Belt #3A to Belt #4A or #6	010	Shiploading/shiphold
005	Transfer Belt #4A to Belt #5	012	Transfer Belt #9 to Belt #10
006	Transfer Belt #3 to Belt #5	013	Transfer Belt #3 to Belt #4

Location: 3701 Causeway Boulevard, Tampa UTM: 17-361.0 E 3089.0 N NEDS NO: 0033

References Permit Nos: 0570033-001-AC and 0570033-013-AF

1. A part of this permit is the attached General Conditions. [Rule 62-4.160, F.A.C.]

2. All applicable rules of the Environmental Protection Commission of Hillsborough County including design discharge limitations specified in the application shall be adhered to. The permit holder may also need to comply with county, municipal, federal, or other state regulations prior to construction. [Rule 62-4.070(7), F.A.C.]

3. Issuance of this permit does not relieve the permittee from complying with applicable emission limiting standards or other requirements of Chapters 62-204, 62-210, 62-212, 62-296 and 62-297, F.A.C., or any other requirements under federal, state, or local law. [Rule 62-210.300, F.A.C.]

4. [RESERVED]

5. Visible emissions from any emission unit, including the storage building, at this facility shall not exceed 5% opacity, except at the shiphold. A 10% opacity limit shall apply when the material is being discharged to the hold of a ship from the conveyor system. [Rule 62-296.711(2)(a), F.A.C.]

6. The permittee shall not cause, suffer, allow or permit the discharge of air pollutants which cause or contribute to an objectionable odor. [Rule 62-296.320, F.A.C.]

7. In order to ensure compliance with Specific Condition No. 5, the following restrictions shall apply: [Rule 62-4.070(3), F.A.C. Air Construction Permit No. 0570033-001-AC, FESOP No. 0570033-013-AF and FESOP Renewal Application received January 17, 2014]

A) The permittee is authorized to handle/store oiled MAP, DAP and GTSP at a maximum transfer rate of 2,000 TPH at each transfer point.
B) [RESERVED]
C) The maximum throughput for handing phosphate materials (MAP, DAP and GTSP) shall not exceed 6,100,000 tons in any twelve consecutive month period.
D) [RESERVED]
E) The MAP, DAP, and GTSP product shall be sufficiently coated with a non-hazardous oil to meet the opacity limits as specified in Specific Condition No. 5.
F) [RESERVED]
G) During the operation of stacker/reclaimer no emissions shall be vented to the exterior of the Storage Building and its doors shall be kept closed.
H) Hours of operation are not restricted.
I) [RESERVED]
J) Use tarps, covers or shields, during the ship loading operation, as necessary.
K) A daily visible emission observation shall be performed and recorded on any dates that material is received or loaded to ships to provide reasonable assurance of continued compliance with the opacity standard. The observations should be an instantaneous reading during active material transport using EPA Method 22 procedures. At least one reading should be made on the incoming conveyor systems and one reading on the outgoing conveyor systems at the point of highest observed opacity from the various transfer/loadout points. If visible emissions are observed, loading shall cease and immediate action to correct any

problems shall be taken. A daily log of all instantaneous visible emissions observations shall be maintained. The log shall contain all instances of visible emissions and action taken to correct the problem(s).

8. To ensure compliance with the emission limitations in Specific Condition No. 5, the following testing conditions and terms shall apply: [Rule 62-4.070(3), F.A.C. Air Construction Permit No. 0570033-001-AC, FESOP No. 0570033-013-AF and FESOP Renewal Application submitted June 9, 2008]:

A) Test all the emission units (EUs) for visible emissions between October 1 and September 30 (once per federal fiscal year) with a target date of January 7th.
B) Testing of emissions should be performed at the point of highest opacity at each emission source.

9. [RESERVED]

10. Compliance with the emission limitations of Specific Condition No. 5 shall be determined using EPA Method 9 contained in 40 CFR 60, Appendix A and adopted by reference in Rule 62-297, F.A.C. The EPA Method 9 test shall be at least thirty (30) minutes in duration. The minimum requirements for source sampling and reporting shall be in accordance with Rule 62-297, F.A.C. and 40 CFR 60, Appendix A.

11. Testing of emissions shall be conducted with the source operating at capacity. Capacity is defined as 90-100% of rated capacity of the material handling rates specified in Specific Condition No. 7.A). If it is impracticable to test at capacity, then the source may be tested at less than capacity; in this case subsequent source operation is limited to 110% of the test load until a new test is conducted. Once the unit is so limited, then operation at higher capacities is allowed for no more than fifteen days for purposes of additional compliance testing to regain the rated capacity in the permit, with prior notification to the EPC. In any case the material handling rates shall not exceed the maximum limits described in Specific Condition No. 7.A). Failure to submit the input rates and actual operating conditions may invalidate the test. [Rules 62-4.070(3) and 62-297.310, F.A.C.]

12. The permittee shall notify the Air Compliance Section of the Environmental Protection Commission of Hillsborough County at least 15 days prior to the date on which each formal compliance test is to begin of the date, time, and place of each such test, and the contact person who will be responsible for coordinating and having such test conducted. [Rule 62-297.310(7)(a)9., F.A.C]

13. The permittee shall submit two copies of test data to the Air Compliance Section of the Environmental Protection Commission of Hillsborough County within 45 days of such testing. Testing procedures shall be consistent with the requirements of 40 CFR 60, Appendix A and Rule 62-297, F.A.C.

14. – 16. [RESERVED]

SPECIFIC CONDITIONS:

17. All reasonable precautions shall be taken to prevent and control generation of unconfined emissions of particulate matter in accordance with the provision in Rule 62-296.320, F.A.C. These provisions are applicable to any source, including, but not limited to, vehicular movement, transportation of materials, construction, alterations, demolition or wrecking, or industrial related activities such as loading, unloading, storing and handling. Reasonable precautions shall include, but not limited to the following:
[Rules 62-296.320 and 62-4.070(3), F.A.C., and Permit No. 0570033-013-AF]]

a) Transfer points - inspection doors shall remain closed.
b) Conveyor belts - covers will always be in place during operation.
c) Unpaved roads - watering as necessary to prevent dusting.
d) Equipment leaks - will be located during daily checks and repaired ASAP.
e) Spillage - will be cleaned up and placed in a container or building.
f) Storage building - maintain doors closed as necessary to meet the opacity standard.
g) Shiphold - use tarps, covers or shields as necessary to meet the opacity standard.
h) Paved roads - vacuum or clean as necessary to prevent dusting.
i) Vehicular speed: 15 MPH or lower, if necessary. Post limits.
j) When disposing of spilled product, the material drop height (payloader to dump truck) shall be minimized at all times.

18. In order to demonstrate compliance with Specific Condition Nos. 5 and 7, the permittee shall maintain records of operation for the previous three (3) years. The records shall be made available to the Environmental Protection Commission of Hillsborough County, state, or federal air pollution agency upon request. The records shall include, but are not limited to the following: [Rule 62-4.160(14)(b), F.A.C., Air Construction Permit No. 0570033-001-AC and FESOP No. 0570033-013-AF]

A) Month/Date
B) Monthly materials throughput (Railcar unloading operation):

   i) Fertilizer Materials: MAP, DAP, and GTSP (tons/month)

C) Monthly materials throughput (Ship loading operation):

   i) MAP, DAP, and GTSP (tons/month)

D) A rolling total of the throughput for each twelve month period (B) and C) above).

19. The use of property, facilities, equipment, processes, products, or compounds, or the commission of paint overspraying or any other act, that causes or materially contributes to a public nuisance is prohibited, pursuant to the Hillsborough County Environmental Protection Act, Section 16, Chapter 84-446, Laws of Florida, as Amended.

SPECIFIC CONDITIONS:

20. The permittee shall provide timely notification to the Environmental Protection Commission of Hillsborough County prior to implementing any changes that may result in a modification to this permit pursuant to Rule 62-210.200, F.A.C., Modification. The changes do not include normal maintenance, but may include, and are not limited to, the following, and may also require prior authorization before implementation: [Rules 62-210.300 and 62-4.070(3), F.A.C.]

A) Alteration or replacement of any equipment or major component of such equipment.
B) Installation or addition of any equipment which is a source of air pollution.
C) The introduction of any new products or materials.

21. The permittee must submit to the Environmental Protection Commission of Hillsborough County each calendar year, a completed DEP Form 62-210.900(5), "Annual Operating Report (AOR) for Air Pollutant Emitting Facility", for the preceding calendar year. The AOR shall be submitted by April 1 of the following year. [Rule 62-210.370(3), F.A.C.]

22. If the permittee wishes to transfer this permit to another owner, an "Application for Transfer of Air Permit" (DEP Form 62-210.900(7)) shall be submitted, in duplicate, to the Environmental Protection Commission of Hillsborough County within 30 days after the sale or legal transfer of the permitted facility. [Rule 62-4.120, F.A.C.]

23. Prior to sixty days before the expiration of this operating permit, the permittee shall apply for a renewal of the permit using the current version of the permit renewal application form. A renewal application shall be timely and sufficient. If the application is submitted prior to sixty days before the expiration of the permit, it will be considered timely and sufficient. If the renewal application is submitted at a later date, it will not be considered timely and sufficient unless it is submitted and made complete prior to the expiration of the operation permit. When the application for renewal is timely and sufficient, the existing permit shall remain in effect until the renewal application has been finally acted upon by the EPC or, if there is court review of the final agency action, until a later date is required by Section 120.60, Florida Statutes. [Rule 62-4.090, F.A.C.]

ENVIRONMENTAL PROTECTION COMMISSION
OF HILLSBOROUGH COUNTY

PERMITTEE:
CSX Transportation, Inc.

PERMIT/CERTIFICATION NO.: 0570033-014-AF
PROJECT: Phosphate Materials Handling Facility

SPECIFIC CONDITIONS:

_____
Richard D. Garrity, Ph.D.
Executive Director